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DISTRICT COURT, BOULDER COUNTY,  
COLORADO

1777 Sixth Street  
Boulder, Colorado 80306

STATE OF COLORADO, ex rel. JOHN W. SUTHERS,  
ATTORNEY GENERAL,

Plaintiff,

v.

FRONT RANGE CHARITABLE SERVICES, a  
Colorado non-profit corporation, HERNANDO  
HENNING, an individual, COLLEEN GARDENOUR  
(a/k/a Colleen Gardenour Holmes and Colleen Holmes),  
an individual, JOHN DOES 1-10, independent  
contractors or employees of Front Range Charitable  
Services, and JANE DOES 1-10, independent  
contractors or employees of Front Range Charitable  
Services,

Defendants.

▲ COURT USE ONLY ▲

Attorneys for Plaintiff:

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Attorney General

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First Assistant Attorney General

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Case No.: 2006CV863

Division: 2

**STIPULATED FINAL JUDGMENT**  
**(Defendant Hernando Hennings)**

## **STATEMENT OF THE PARTIES**

Plaintiff, the State of Colorado, *ex rel.* John W. Suthers, Attorney General (“the State”), has sued Defendant Hernando Hennings in this action and another action, (see State of Colorado, *ex rel.* John W. Suthers, Attorney General v. Colorado Children’s Assistance Center, Civil Action No. 2006CV841, Courtroom 12 (Boulder District Court) (hereinafter “Assistance Center Case”). Both actions allege that Hennings violated the Colorado Consumer Protection Act, Colo. Rev. Stat. § 6-1-101 through § 6-1-908 (2005) (“CCPA”) and the Colorado Charitable Solicitations Act, Colo. Rev. Stat. § 6-16-101 through § 6-16-113 (2005) (“CCSA”).

Through this Stipulated Final Judgment, the State and Hennings agree to resolve the State’s claims against Hennings without trial or other adjudication of fact or law herein or in the Assistance Center Case. This Stipulated Final Judgment shall contain the terms for resolving both this action and the Assistance Center Case, and the terms herein are incorporated by reference in the Stipulated Final Judgment that shall be entered in the Assistance Center Case.

## **FINDINGS, CONCLUSIONS AND ORDER OF JUDGMENT**

The Court, having considered this matter and being fully advised in the premises, FINDS, CONCLUDES AND ORDERS AS FOLLOWS:

### **JURISDICTION**

1. This Court has jurisdiction over the subject matter of this action, the Assistance Center Case and the parties hereto, and the Complaints in both actions state claims upon which relief can be granted under the CCPA and the CCSA. Venue is proper in Boulder County, State of Colorado.

2. This Court is authorized to issue a permanent injunction and other relief pursuant to Colo. Rev. Stat. §§ 6-1-110(1), 6-1-112(1), and 6-1-113(4) (2005) of the CCPA and Colo. Rev. Stat. § 6-16-111(5) of the CCSA.

### **PERMANENT INJUNCTION**

3. Hennings is permanently enjoined from the following:

a. Operating or conducting any activities on behalf of Front Range Charitable Services and the Colorado Children’s Assistance Center;

b. Operating, forming, founding, or establishing any charitable organization, as defined in Colo. Rev. Stat. § 6-16-103(1);

c. Acting as a director, officer, trustee, compensated employee, professional fundraising consultant, or paid solicitor of any charitable organization, as defined in Colo. Rev. Stat. § 6-16-103(1); and

d. Making any charitable solicitations on behalf of any charity.

4. In order to comply with paragraph 3.a., Hennings shall cooperate with all efforts to ensure that Front Range Charitable Services and the Colorado Children's Assistance Center immediately cease all operations, including all solicitations and all payment or disbursement of any funds remaining in any bank accounts of Front Range Charitable Services and the Colorado Children's Assistance Center.

#### **MONETARY RELIEF**

5. Hennings shall pay four thousand dollars (\$4,000.00) as a civil penalty pursuant to Colo. Rev. Stat. § 6-1-112(1). Such funds shall be paid to the General Fund of the State of Colorado in installments of two hundred and fifty dollars (\$250.00) to be paid on the following dates:

April 1, 2007  
July 1, 2007  
October 1, 2007  
January 1, 2008  
April 1, 2008  
July 1, 2008  
October 1, 2008  
January 1, 2009  
April 1, 2009  
July 1, 2009  
October 1, 2009  
January 1, 2010  
March 1, 2010  
July 1, 2010  
October 1, 2010  
January 1, 2011

6. Hennings shall pay ten thousand dollars (\$10,000.00) to the Colorado Department of Law to establish a settlement fund for affected consumers as follows:

- a. One thousand five hundred dollars (\$1,500.00) shall be due by May 1, 2007; and
- b. Eight thousand five hundred dollars (\$8,500.00) in monthly installments of two hundred and fifty dollars (\$250.00) apiece to be paid beginning June 1, 2007 and paid until completed on March 1, 2010.

7. The payments referred to in paragraphs 5 and 6 above shall be made payable to the Colorado Department of Law with a reference to the "Hennings' Charitable Solicitation Settlement" and shall be delivered to:

Andrew P. McCallin  
First Assistant Attorney General  
Consumer Protection Section  
1525 Sherman Street – 7<sup>th</sup> Floor  
Denver, Colorado 80203

8. Hennings may increase payment amounts at any time to pay off these amounts. If there is a failure to make a payment pursuant to this Stipulated Final Judgment the State may accelerate all payments due hereunder and collect the entire amounts due hereunder. In such event the State shall be entitled to recover its costs and attorney fees in collecting such amounts.

9. If Hennings makes only a partial payment under this Stipulated Final Judgment the State's acceptance of this partial payment does not prevent it from declaring the Stipulated Final Judgment breached and collecting the full amount due hereunder pursuant to paragraph 8 and to seek other remedies, including contempt. If a partial payment is made, the Attorney General may deem the partial payment and all future payments as payment towards restitution until the full \$10,000 restitution amount has been paid.

### **CONSIDERATION**

10. Hennings is entering into this Stipulated Final Judgment for the purpose of compromising and resolving disputed claims and to avoid the expense of litigation. Henning's execution of this Stipulated Final Judgment shall not be considered an admission of any wrongdoing or liability. Nothing herein constitutes approval by the State of Henning's past or future practices, and Defendant shall not make any representation to the contrary.

11. Hennings agrees to fully cooperate with the State in all further proceedings in this case and the Assistance Center Case and all further investigations under the CCPA and

CCSA, including agreeing to accept service of process of any subpoena in these actions or investigations.

12. This Stipulated Final Judgment is intended to resolve finally and fully all of the disputes between the Attorney General and Defendant Hennings arising out of the conduct alleged in the Complaint in this action and in the Assistance Center Case. This Stipulated Final Judgment shall not be construed to affect any claims by the Attorney General against any other Defendants, named or unnamed, or against any other individuals or entities regarding the conduct alleged in the Complaint or in the Assistance Center Case.

### **RETENTION OF JURISDICTION**

13. This Court shall retain jurisdiction of this matter for the purpose of enabling any party to this Stipulated Final Judgment to apply to the Court at any time for any further orders which may be necessary or appropriate for the construction, modification or execution of this Stipulated Final Judgment, and for the enforcement of compliance herewith and the punishment of violations hereof.

14. This Stipulated Final Judgment shall not be construed to affect the rights of any private party to pursue remedies pursuant to Colo. Rev. Stat. § 6-1-113 (2005) of the CCPA, Colo. Rev. Stat. § 6-16-111(5) (2005) of the CCSA, or under any other statutes through actions in common law.

15. The parties understand and agree that a violation of any term of this Stipulated Final Judgment shall give rise to the contempt remedies and penalties provided under Colo. Rev. Stat. § 6-1-112(2) (2005).

### **ACKNOWLEDGMENT**

16. Defendant Hennings acknowledges that he has thoroughly reviewed this Stipulated Final Judgment, that he has had an opportunity to consult with an attorney if he so chooses, that he understands and agrees to its terms, and that he agrees that it shall be entered as the Order of this Court.

/s \_\_\_\_\_  
Andrew P. McCallin, 20909\*  
First Assistant Attorney General  
Consumer Protection Section  
1525 Sherman Street, 5<sup>th</sup> Floor  
Denver, Colorado 80203  
PHONE: (303) 866-5079  
FAX: (303) 866-4916

Attorney for Plaintiffs

\*Counsel of Record

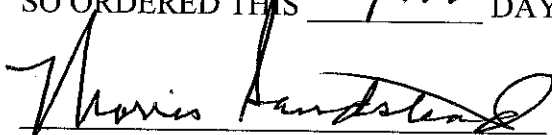
Dated: January \_\_\_, 2007

/s \_\_\_\_\_  
Hernando Hennings

Dated: January \_\_\_, 2007

*Pursuant to C.R.C.P. 121, § 1-26(9), the original of this document with original signatures is maintained in the offices of the Colorado Attorney General, 1525 Sherman Street, Fifth Floor, Denver, CO 80203, and will be made available for inspection by other parties or the Court upon request.*

SO ORDERED THIS 9<sup>th</sup> DAY OF March, 2007:

  
District Court Judge

**CERTIFICATE OF SERVICE:**  
I certify that I electronically entered the

MAR - 9 2007

foregoing via the Justicialis E-Service  
or via First-Class Postage Mail. C.F.